

<b>400-00-7503</b>
<b>Description:</b> Part Year Resident filing MFJ, one blind, with Dependents
<b>Forms:</b> AZ-140PY, Schedule APYN, 8453
<b>PATS Info</b>
<b>AZ 140PY:</b> Residents of NC and AZ with W2s Dates of AZ Residency = 07-01-2006 to 12-31-2006
Filing under extension
Entire refund to Aid to Education fund
Copy of federal Schedule E
Copy of North Carolina return (first 2 pages)

For the year Jan. 1-Dec. 31, 2006, or other tax year beginning

, 2006, ending

, 20

OMB. No. 1545-0074

## Label

(See instructions on page 16.)

Use the IRS label. Otherwise, please print or type.

L  
A  
B  
E  
L  
  
H  
O  
U  
S  
E

Your first name and initial

Last name

TEST L

PARTIAL

If a joint return, spouse's first name and initial

Last name

MARY B

PARTIAL

Home address (number and street). If you have a P.O. box, see page 16.

Apt. no.

923 HOPE ST

City, town or post office, state, and ZIP code. If you have a foreign address, see page 16.

DOUGLAS

AZ 85607

Your social security number

400-00-7503

Spouse's social security number

400-00-7568

You must enter your SSN(s) above.

Checking a box below will not change your tax or refund.

## Presidential

## Election Campaign

Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 16)

You

Spouse

## Filing Status

Check only one box.

1  
2  
3

Single

X Married filing jointly (even if only one had income)

Married filing separately. Enter spouse's SSN above and full

name here.

4

Head of household (with qualifying person). (See page 17.) If the qualifying person is a child but not your dependent, enter this child's name here.

5

Qualifying widow(er) with dependent child (see page 17)

## Exemptions

6 a X Yourself. If someone can claim you as a dependent, do not check box 6a

Boxes checked on 6a and 6b

2

b X Spouse

No. of children on 6c who:

c Dependents:

(1) First name

Last name

(2) Dependent's social security number

(3) Dependent's relationship to you

(4) Check if qualifying child for child tax credit (see pg 19)

JEFFREY

PARTIAL

400-55-7566

Son

X

SAMUEL

PARTIAL

400-55-7567

Son

X

SANDRA

PARTIAL

400-55-7568

Daughter

X

lived with you  
did not live with you due to divorce or separation (see page 20)

3

Dependents on 6c not entered above

Add numbers on lines above

5

d Total number of exemptions claimed

## Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see page 22.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

7 Wages, salaries, tips, etc. Attach Form(s) W-2

7

62,840

8 a Taxable interest. Attach Schedule B if required

8a

b Tax-exempt interest. Do not include on line 8a

8b

9 a Ordinary dividends. Attach Schedule B if required

9a

b Qualified dividends (see page 23)

9b

10 Taxable refunds, credits, or offsets of state and local income taxes (see page 23)

10

11 Alimony received

11

12 Business income or (loss). Attach Schedule C or C-EZ

12

13 Capital gain or (loss). Attach Schedule D if required. If not required, check here

13

14 Other gains or (losses). Attach Form 4797

14

15 a IRA distributions

15a

b Taxable amount (see page 25)

15b

16 a Pensions and annuities

16a

b Taxable amount (see page 25)

16b

17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E

17

52

18 Farm income or (loss). Attach Schedule F

18

19 Unemployment compensation

19

20 a Social security benefits

20a

b Taxable amount (see page 27)

20b

21 Other income.

21

22 Add the amounts in the far right column for lines 7 through 21. This is your total income

22

62,892

## Adjusted Gross Income

23 Archer MSA deduction. Attach Form 8853

23

24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ

24

25 Health savings account deduction. Attach Form 8889

25

26 Moving expenses. Attach Form 3903

26

27 One-half of self-employment tax. Attach Schedule SE

27

28 Self-employed SEP, SIMPLE, and qualified plans

28

29 Self-employed health insurance deduction (see page 30)

29

30 Penalty on early withdrawal of savings

30

31 a Alimony paid b Recipient's SSN

31a

32 IRA deduction (see page 31)

32

33 Student loan interest deduction (see page 33)

33

34 Jury duty pay you gave to your employer

34

35 Domestic production activities deduction. Attach Form 8903

35

36 Add lines 23 through 31a and 32 through 35

36

37 Subtract line 36 from line 22. This is your adjusted gross income

37

62,892

Form 1040 (2006)

**SCHEDULES A&B**  
**(Form 1040)**

**Schedule A - Itemized Deductions**

OMB No. 1545-0074

**2006**

Department of the Treasury  
Internal Revenue Service (99)

▶ **Attach to Form 1040.** ▶ **See Instructions for Schedules A & B (Form 1040).**

Attachment  
Sequence No. **07**

Name(s) shown on Form 1040

Your social security number

**TEST L & MARY B PARTIAL**

**400-00-7503**

<b>Medical and Dental Expenses</b>		<b>Caution.</b> Do not include expenses reimbursed or paid by others.			
1	Medical and dental expenses (see page A-2)	1	3,800		
2	Enter amount from Form 1040, line 38	2	62,892		
3	Multiply line 2 by 7.5% (.075)	3	4,717		
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4			0
<b>Taxes You Paid</b>		5	1,795		
5	State and local income taxes	6			
6	Real estate taxes (see page A-5)	7	800		
7	Personal property taxes	8			
8	Other taxes. List type and amount ▶				
9	Add lines 5 through 8	9			2,595
<b>Interest You Paid</b>		10	5,700		
10	Home mortgage interest and points reported to you on Form 1098	11			
11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-6 and show that person's name, identifying no., and address ▶	12			
12	Points not reported to you on Form 1098. See page A-6 for special rules	13			
13	Investment interest. Attach Form 4952 if required. (See page A-6.)	14			5,700
14	Add lines 10 through 13				
<b>Gifts to Charity</b>		15	400		
15	Gifts by cash or check. If you made any gift of \$250 or more, see page A-7	16			
16	Other than by cash or check. If any gift of \$250 or more, see page A-7. You <b>must</b> attach Form 8283 if over \$500	17	150		
17	Carryover from prior year	18			550
18	Add lines 15 through 17				
<b>Casualty and Theft Losses</b>		19			
19	Casualty or theft loss(es). Attach Form 4684. (See page A-8.)				
<b>Job Expenses and Certain Miscellaneous Deductions</b>		20	4,625		
20	Unreimbursed employee expenses - job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-8.) ▶ Statement # 1	21			
21	Tax preparation fees	22			
22	Other expenses - investment, safe deposit box, etc. List type and amount ▶	23	4,625		
23	Add lines 20 through 22	24	62,892		
24	Enter amount from Form 1040, line 38	25	1,258		
25	Multiply line 24 by 2% (.02)	26			3,367
26	Subtract line 25 from line 23. If line 25 is more than line 23, enter -0-				
<b>Other Miscellaneous Deductions</b>		27			
27	Other - from list on page A-9. List type and amount ▶				
<b>Total Itemized Deductions</b>		28			12,212
28	Is Form 1040, line 38, over \$150,500 (over \$75,250 if married filing separately)? <input checked="" type="checkbox"/> <b>No.</b> Your deduction is not limited. Add the amounts in the far right column for lines 4 through 27. Also, enter this amount on Form 1040, line 40. <input type="checkbox"/> <b>Yes.</b> Your deduction may be limited. See page A-9 for the amount to enter.				
29	If you elect to itemize deductions even though they are less than your standard deduction, check here ▶ <input type="checkbox"/>				

For Paperwork Reduction Act Notice, see Form 1040 instructions.

EEA

Schedule A (Form 1040) 2006

Name(s) shown on return. Do not enter name and social security number if shown on page 1.

**TEST L & MARY B PARTIAL**

Your social security number

**400-00-7503****Caution:** The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.**Part II Income or Loss From Partnerships and S Corporations** **Note.** If you report a loss from an at-risk activity for which **any** amount is **not** at risk, you **must** check the box in column (e) on line 28 and attach **Form 6198**. See page E-1.

- 27** Are you reporting any loss not allowed in a prior year due to the at-risk or basis limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? ☐ Yes ☒ No
- If you answered "Yes," see page E-6 before completing this section.

<b>28</b>	(a) Name	(b) Enter <b>P</b> for partnership; <b>S</b> for S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Check if any amount is not at risk
<b>A</b>	<b>CHARITY AND COMPANY</b>	<b>P</b>		<b>56-0124344</b>	
<b>B</b>	<b>FAITH CITY PARTNERS</b>	<b>P</b>		<b>56-9485555</b>	
<b>C</b>	<b>SHELTERS, INC</b>	<b>S</b>		<b>56-4712345</b>	
<b>D</b>					

Passive Income and Loss		Nonpassive Income and Loss		
(f) Passive loss allowed (attach <b>Form 8582</b> if required)	(g) Passive income from <b>Schedule K-1</b>	(h) Nonpassive loss from <b>Schedule K-1</b>	(i) Section 179 expense deduction from <b>Form 4562</b>	(j) Nonpassive income from <b>Schedule K-1</b>
<b>A</b>				
<b>B</b>	<b>3,240</b>			
<b>C</b>				<b>52</b>
<b>D</b>				
<b>29 a Totals</b>	<b>3,240</b>			<b>52</b>
<b>b Totals</b>	<b>3,240</b>			
<b>30</b>	Add columns (g) and (j) of line 29a			<b>30 3,292</b>
<b>31</b>	Add columns (f), (h), and (i) of line 29b			<b>31 ( 3,240 )</b>
<b>32</b>	<b>Total partnership and S corporation income or (loss).</b> Combine lines 30 and 31. Enter the result here and include in the total on line 41 below			<b>32 52</b>

**Part III Income or Loss From Estates and Trusts**

33		(a) Name	(b) Employer identification number	
A				
B				
Passive Income and Loss			Nonpassive Income and Loss	
(c) Passive deduction or loss allowed (attach Form 8582 if required)		(d) Passive income from Schedule K-1	(e) Deduction or loss from Schedule K-1	(f) Other income from Schedule K-1
A				
B				
34 a Totals				
b Totals				
35 Add columns (d) and (f) of line 34a			35	
36 Add columns (c) and (e) of line 34b			36	( )
37 Total estate and trust income or (loss). Combine lines 35 and 36. Enter the result here and include in the total on line 41 below			37	

**Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) - Residual Holder**

<b>38</b>	(a) Name	(b) Employer identification number	(c) Excess inclusion from <b>Schedules Q</b> , line 2c (see page E-6)	(d) Taxable income (net loss) from <b>Schedules Q</b> , line 1b	(e) Income from <b>Schedules Q</b> , line 3b
<b>39</b>	Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below				<b>39</b>

**Part V Summary**

<b>40</b>	Net farm rental income or (loss) from <b>Form 4835</b> . Also, complete line 42 below	<b>40</b>	
<b>41</b>	<b>Total income or (loss).</b> Combine lines 26, 32, 37, 39, & 40. Enter the result here & on Form 1040, In 17, or Form 1040NR, In 18	<b>41</b>	<b>52</b>
<b>42</b>	<b>Reconciliation of farming and fishing income.</b> Enter your <b>gross</b> farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code T; and Schedule K-1 (Form 1041), line 14, code F (see page E-7)	<b>42</b>	
<b>43</b>	<b>Reconciliation for real estate professionals.</b> If you were a real estate professional (see page E-1), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules	<b>43</b>	

YOUR FIRST NAME AND INITIAL

LAST NAME

YOUR SOCIAL SECURITY NO.

1 TEST L

PARTIAL

400-00-7503

IF A JOINT RETURN, SPOUSE'S FIRST NAME AND INITIAL

LAST NAME

SPOUSE'S SOCIAL SECURITY NO.

1 MARY B

PARTIAL

400-00-7568

PRESENT HOME ADDRESS - NO. AND STREET, RURAL ROUTE

APT. NO.

DAYTIME PHONE (with area code)

2 923 HOPE ST

520-349-5960

IMPORTANT

You must enter your SSNs.

CITY, TOWN OR POST OFFICE

STATE

ZIP CODE

HOME PHONE (with area code)

3 DOUGLAS, AZ 85607

94 520-524-4838

Check this box if:

82F X Filing under extension

4 X Married filing joint return

FOR DOR USE ONLY

5 Head of household - name of qualifying child or dependent:

6 Married filing separate return. Enter spouse's Social Security Number above

and full name here.

7 Single

8 00 Age 65 or over (you and/or spouse)

88

9 01 Blind (you and/or spouse)

10 03 Dependents. From page 2, line A2 - do not include self or spouse.

11 00 Qualifying parents and ancestors of your parents from page 2, line A5.

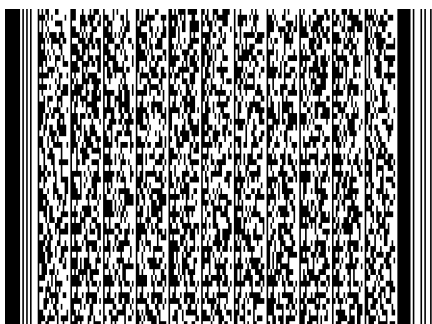
81

80

12-13 Residency Status (check one): 12 X Part-Year Resident Other than Active Military

13 Part-Year Resident Active Military

THIS BOX MAY BE BLANK OR MAY CONTAIN A PRINTED BARCODE OF DATA FROM YOUR RETURN



14 Federal AGI - 14 62,892 00

15 Arizona income (from page 2, line B19) - 15 35,240 00

16 Additions to income (from page 2, line C24) - 16 00

17 Add lines 15 and 16 - 17 35,240 00

18 Subtractions. Number from line D34a. 181 18 4,704 00

19 Arizona AGI. Line 17 minus line 18 - 19 30,536 00

20 20 I X ITEMIZED 20 S STANDARD 20 13,714 00

21 Personal exemptions - 21 3,528 00

22 AZ taxable inc. Ln 19 minus lines 20 & 21 - 22 13,294 00

23 Compute tax. Use Tax Table X or Y - 23 362 00

24 Tax from recapture of credits - 24 00

25 Subtotal of tax. Add lines 23 and 24 - 25 362 00

26 - 27 Clean Elections Fund Tax Reduction

26 1 X YOURSELF 26 2 X SPOUSE 27 10 00

28 Reduced tax. Subtract line 27 from line 25 - 28 352 00

29 Family income tax credit from worksheet on pages 15 and 16 of the instructions - 29 00

30 Credits from Arizona Form 301, line 57, or Forms 310, 321, 322 and 323 if Form 301 is not required - 30 00

31 Credit type. Enter form number of each credit claimed: 31 3 3 3 3 3 3 00

32 Clean Elections Fund Tax Credit. From worksheet on page 18 of the instructions - 32 00

33 Balance of tax. Subtract lines 29, 30 and 32 from line 28. If the sum of lines 29, 30 and 32 is more than line 28, enter zero - 33 352 00

34 Arizona income tax withheld during 2006 - 34 796 00

35 Arizona estimated tax payments for 2006 - 35 00

36 Amount paid with 2006 Arizona extension request (Form 204) - 36 500 00

37 Increased Excise Tax Credit. From worksheet on page 18 of the instructions - 37 00

38 Total payments/refundable credits. Add lines 34 through 37 - 38 1,296 00

39 TAX DUE. If line 33 is larger than line 38, subtract line 38 from line 33, & enter amount of tax due. Skip lines 40, 41 & 42 - 39 00

40 OVERPAYMENT. If line 38 is larger than line 33, subtract line 33 from line 38, and enter amount of overpayment - 40 944 00

41 Amount of line 40 to be applied to 2007 estimated tax - 41 00

42 Balance of overpayment. Subtract line 41 from line 40 - 42 944 00

43 - 51 Voluntary Gifts to:

AID TO EDUCATION (entire refund only) - 43 944 00  
CHILD ABUSE PREVENTION - 46 00  
NEIGHBORS HELPING NEIGHBORS - 49 00

ARIZONA WILDLIFE DOMESTIC VIOLENCE SHELTER - 44 00  
SPECIAL OLYMPICS - 50 00

CITIZENS CLEAN ELECTIONS - 45 00  
NATIONAL GUARD RELIEF FUND - 48 00  
POLITICAL GIFT - 51 00

52 Check only one if making a political gift: 52 1 Democratic 52 2 Libertarian 52 3 Republican

53 Estimated payment penalty and MSA withdrawal penalty - 53 00

54 Check applicable boxes: 54 1 Annualized/Other 54 2 Farmer or Fisherman 54 3 Form 221 attached 54 4 MSA Penalty

55 Total of lines 43, 44, 45, 46, 47, 48, 49, 50, 51 and 53 - 55 944 00

56 REFUND. Subtract line 55 from line 42. If less than zero, enter amount owed on line 57 - 56 00

Direct Deposit of Refund: See instructions.

ROUTING NUMBER

ACCOUNT NUMBER

C Checking or

S Savings

98

57 AMOUNT OWED. Add lines 39 and 55. Make check payable to Arizona Department of Revenue; include SSN on payment.

Payment enclosed. Check the box and attach payment.

57 00

PART A:

Dependents

A1 List children and other dependents. Do not list yourself or spouse. If more space is needed, attach a separate sheet.				NO. OF MONTHS LIVED IN YOUR HOME IN 2006
FIRST AND LAST NAME	SOCIAL SECURITY NO.	RELATIONSHIP		
JEFFREY PARTIAL	400-55-7566	SON		12
SAMUEL PARTIAL	400-55-7567	SON		12
SANDRA PARTIAL	400-55-7568	DAUGHTER		12

A2 Enter total number of persons listed in A1 here and on page 1 of this form, box 10 . . . . . TOTAL A2 3

A3 a Enter the names of the dependents listed above who do not qualify as your dependent on your federal return:  
  
b Enter dependents listed above who were not claimed on your federal return due to education credits:

A4 List qualifying parents and ancestors of your parents. If more space is needed, attach a separate sheet. You cannot list the same person here and also on line A1. For information on who is a qualifying parent or ancestor of your parents, see page 5 of the instructions.

FIRST AND LAST NAME	SOCIAL SECURITY NO.	RELATIONSHIP	NO. OF MONTHS LIVED IN YOUR HOME IN 2006
---------------------	---------------------	--------------	--

A5 Enter total number of persons listed in A4 here and on page 1 of this form, box 11 . . . . . TOTAL A5 0

PART B:

Arizona Percent of Total Income

B6 Dates of Arizona residency: From 07-01-2006 to 12-31-2006 . List other state(s) of residency: NC	2006 FEDERAL Amount from federal return		2006 ARIZONA Amount only	
B7 Wages, salaries, tips, etc. . . . .	B7	62,840	00	32,000 00
B8 Interest . . . . .	B8		00	00
B9 Dividends . . . . .	B9		00	00
B10 Arizona income tax refunds . . . . .	B10		00	00
B11 Alimony received . . . . .	B11		00	00
B12 Business income (or loss) from federal Schedule C . . . . .	B12		00	00
B13 Gains (or losses) from federal Schedule D . . . . .	B13		00	00
B14 Rents, royalties, partnerships, estates, trusts, small business corporations from federal Schedule E . . .	B14	52	00	3,240 00
B15 Other income reported on your federal return . . . . .	B15		00	00
B16 Total income: Add lines B7 through B15 . . . . .	B16	62,892	00	35,240 00
B17 Federal adjustments. Attach your own schedule . . . . .	B17		00	00
B18 Federal adjusted gross income. Subtract line B17 from line B16 in the FEDERAL column	B18	62,892	00	
B19 Arizona income: Subtract line B17 from line B16 in the ARIZONA column. Enter here and on page 1 of this form, line 15 . . . . .	B19			35,240 00
B20 Arizona percentage: Divide line B19 by line B18, and enter the result (not over 100%) . . . . .	B20			56.0 %

PART C: Additions

C21 Early withdrawal of Arizona Retirement System contributions . . . . .	C21		00
C22 Total depreciation included in Arizona gross income . . . . .	C22		00
C23 Other additions to income. See instructions and attach your own schedule . . . . .	C23		00
C24 Total: Add lines C21 through C23. Enter here and on page 1 of this form on line 16 . . . . .	C24		00

PART D:

Subtractions from Income

D25 Exemption: Age 65 or over. Multiply the number in box 8, page 1, by \$2,100 . . . . .	D25		00
D26 Exemption: Blind. Multiply the number in box 9, page 1, by \$1,500 . . . . .	D26	1,500	00
D27 Exemption: Dependents. Multiply the number in box 10, page 1, by \$2,300 . . . . .	D27	6,900	00
D28 Exemption: Qualifying parents and ancestors. Multiply the number in box 11, page 1, by \$10,000 . . . . .	D28		00
D29 Total exemptions: Add lines D25 through D28 . . . . .	D29	8,400	00
D30 Multiply line D29 by the percentage on line B20, and enter the result . . . . .	D30		4,704 00
D31 Interest on U.S. obligations such as U.S. savings bonds and treasury bills included in the ARIZONA column . . . . .	D31		00
D32 Arizona state lottery winnings included on line B15 in the ARIZONA column (up to \$5,000 only) . . . . .	D32		00
D33 U.S. Social Security or Railroad Retirement Act benefits included in your ARIZONA income . . . . .	D33		00
D34 Construction of an energy efficient residence. See page 11 of instructions. Enter number D34a <input type="text"/> , then amount . . . . .	D34		00
D35 Other subtractions from income. See instructions and attach your own schedule . . . . .	D35		00
D36 Total: Add lines D30 through D35. Enter here and on page 1 of this form, line 18 . . . . .	D36		4,704 00

E37 Last name(s) used in prior years if different from name(s) used in current year:

PLEASE SIGN

I have read this return and any attachments with it. Under penalties of perjury, I declare that to the best of my knowledge and belief, they are true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

YOUR SIGNATURE	10-18-2006	CONSTRUCTION FOREMAN
	DATE	OCCUPATION
SPOUSE'S SIGNATURE	10-18-2006	REAL ESTATE PROFESSIONAL
	DATE	SPOUSE'S OCCUPATION
PAID PREPARER'S SIGNATURE	FIRM'S NAME (PREPARER'S IF SELF-EMPLOYED)	
PAID PREPARER'S TIN	DATE	PAID PREPARER'S ADDRESS

**ARIZONA SCHEDULE  
A(PYN)****Itemized Deductions  
For Part-Year Residents****2006**

Who also had Arizona source income during the period of the year while a nonresident.

**Attach to your return**

NAME(S) AS SHOWN ON FORM 140PY

**TEST L****PARTIAL**

YOUR SOCIAL SECURITY NUMBER

**400-00-7503**

SPOUSE'S SOCIAL SECURITY NUMBER

**MARY B****PARTIAL****400-00-7568****Part I: Itemized Deductions for the Period of the Year While an Arizona Resident Plus Arizona  
Source Itemized Deductions for the Period While a Nonresident****Medical and Dental Expenses • Taxes • Interest Expense • Gifts to Charity**

<b>1</b>	Medical and dental expenses incurred and paid while an Arizona resident plus the amount of such expenses from Arizona sources that you incurred and paid during the part of the year while an Arizona nonresident . . . . .	<b>1</b>	<b>3,800</b>	<b>00</b>
<b>2</b>	Taxes allowable on federal Form 1040, Schedule A, that you incurred and paid while an Arizona resident plus the amount of such taxes from Arizona sources that you incurred and paid during the part of the year while an Arizona nonresident . . . . .	<b>2</b>	<b>2,196</b>	<b>00</b>
<b>3</b>	Interest expense: See instructions . . . . .	<b>3</b>	<b>5,700</b>	<b>00</b>
<b>4</b>	Gifts to charity allowable on federal Form 1040, Schedule A, that you incurred and paid while an Arizona resident plus the amount of such gifts from Arizona sources that you incurred and paid during the part of the year while an Arizona nonresident . . . . .	<b>4</b>	<b>550</b>	<b>00</b>

**Casualty and Theft Losses**

<b>5</b>	Casualty loss(es) allowable on federal Form 1040, Schedule A, after applying the 10% federal adjusted gross income limitation and the \$100 per loss floor . . . . .	<b>5</b>		<b>00</b>
<b>6</b>	Casualty loss(es) allowable on federal Form 4684 before applying the 10% federal adjusted gross income limitation and the \$100 per loss floor . . . . .	<b>6</b>		<b>00</b>
<b>7</b>	Amount of loss on line 6 incurred while you were an Arizona resident plus the amount of loss from Arizona sources on line 6 that you incurred during the part of the year while an Arizona nonresident . . . . .	<b>7</b>		<b>00</b>
<b>8</b>	Divide line 7 by line 6, and enter the percentage . . . . .	<b>8</b>		<b>%</b>
<b>9</b>	Multiply line 5 by the percentage on line 8 . . . . .	<b>9</b>		<b>00</b>

**Job Expenses and Other Miscellaneous Expenses**

<b>10</b>	Miscellaneous expenses subject to the 2% federal adjusted gross income limitation allowable on federal Form 1040, Schedule A, before applying the limitation . . . . .	<b>10</b>	<b>4,625</b>	<b>00</b>
<b>11</b>	Amount on line 10 that you incurred and paid while an Arizona resident plus the amount on line 10 from Arizona sources that you incurred and paid during the part of the year while an Arizona nonresident . . . . .	<b>11</b>	<b>1,911</b>	<b>00</b>
<b>12</b>	Divide line 11 by line 10, and enter the percentage . . . . .	<b>12</b>	<b>41.3</b>	<b>%</b>
<b>13</b>	Miscellaneous deductions subject to the 2% federal adjusted gross income limit allowable on federal Form 1040, Schedule A, after applying the limitation . . . . .	<b>13</b>	<b>3,367</b>	<b>00</b>
<b>14</b>	Multiply line 13 by the percentage on line 12 . . . . .	<b>14</b>	<b>1,391</b>	<b>00</b>
<b>15</b>	Other miscellaneous expenses allowable on federal Form 1040, Schedule A, not subject to the 2% federal adjusted gross income limitation that you incurred and paid while an Arizona resident plus the amount of such expenses from Arizona sources that you incurred and paid during the part of the year while an Arizona nonresident . . . . .	<b>15</b>		<b>00</b>
<b>Skip lines 16 through 20 if not deducting gambling losses.</b>				
<b>16</b>	Wagering losses included on line 15 . . . . .	<b>16</b>		<b>00</b>
<b>17</b>	Total gambling winnings included in your Arizona gross income . . . . .	<b>17</b>		<b>00</b>
<b>18</b>	Authorized Arizona lottery subtraction from Form 140PY, page 2, line D32 . . . . .	<b>18</b>		<b>00</b>
<b>19</b>	Maximum allowable gambling loss deduction: Subtract line 18 from line 17 . . . . .	<b>19</b>		<b>00</b>
<b>20</b>	If line 19 is less than line 16, subtract line 19 from line 16; otherwise enter "zero" . . . . .	<b>20</b>		<b>00</b>
<b>21</b>	If you completed lines 16 through 20, subtract line 20 from line 15. If you skipped lines 16 through 20, enter amount on line 15 here . . . . .	<b>21</b>		<b>00</b>
<b>22</b>	Add lines 14 and 21 . . . . .	<b>22</b>	<b>1,391</b>	<b>00</b>



**Subtotal of Itemized Deductions**

<b>23</b>	Tentative Arizona itemized deduction: Add lines 1, 2, 3, 4, 9, and 22. If your federal adjusted gross income is more than \$150,500 (\$75,250 if married filing separately), complete lines 24 through 28 below. Otherwise, skip lines 24 through 28	<b>23</b>	<b>13,637</b>	<b>00</b>
<b>24</b>	If your federal adjusted gross income is more than \$150,500 (\$75,250 if married filing separately), enter on line 24 the amount by which you have to reduce your federal itemized deductions because your federal adjusted gross income was over this threshold	<b>24</b>		<b>00</b>
<b>25</b>	Enter your total federal itemized deductions allowable on federal Form 1040, Schedule A, prior to the federal adjusted gross income limitation	<b>25</b>		<b>00</b>
<b>26</b>	Divide line 23 by line 25, and enter the percentage	<b>26</b>		<b>%</b>
<b>27</b>	Multiply line 24 by the percentage on line 26, and enter the result	<b>27</b>		<b>00</b>
<b>28</b>	Subtract line 27 from line 23, and enter the result	<b>28</b>		<b>00</b>

**Part II: Portion of Itemized Deductions Allowable for the Part of the Year While a Nonresident****Adjustment to Medical and Dental Expenses**

<b>29</b>	Medical and dental expenses	<b>29</b>	<b>1,562</b>	<b>00</b>
<b>30</b>	Amount of MSA distributions used to pay qualified medical expenses included on line 29	<b>30</b>		<b>00</b>
<b>31</b>	Medical expenses allowed to be taken as a federal itemized deduction	<b>31</b>		<b>00</b>
<b>32</b>	Add lines 30 and 31, and enter the result	<b>32</b>		<b>00</b>
<b>33</b>	If line 29 is the same as or more than line 32, subtract line 32 from line 29. Otherwise, go to line 34	<b>33</b>	<b>1,562</b>	<b>00</b>
<b>34</b>	If line 32 is more than line 29, subtract line 29 from line 32	<b>34</b>		<b>00</b>

**Adjustment to Interest Deduction**

<b>35</b>	If you received a federal credit for interest paid on mortgage credit certificates (from federal Form 8396), enter the amount of mortgage interest you paid for 2006 that is equal to the amount of your 2006 federal credit	<b>35</b>		<b>00</b>
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**Adjustment to Gambling Losses**

<b>36</b>	Wagering losses allowed as a federal itemized deduction	<b>36</b>		<b>00</b>
<b>37</b>	Total gambling winnings included in your federal adjusted gross income	<b>37</b>		<b>00</b>
<b>38</b>	Authorized Arizona lottery subtraction from Form 140PY, page 2, line D32	<b>38</b>		<b>00</b>
<b>39</b>	Maximum allowable gambling loss deduction: Subtract line 38 from line 37	<b>39</b>		<b>00</b>
<b>40</b>	If line 39 is less than line 36, subtract line 39 from line 36; otherwise enter "zero"	<b>40</b>		<b>00</b>

**Adjustment to Property Taxes**

<b>41</b>	If you are claiming the property tax credit on Arizona Form 302 (Defense Contracting Credits), enter the amount of property taxes allowed as a federal itemized deduction for which a credit is claimed	<b>41</b>		<b>00</b>
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**Adjustment to Charitable Contributions**

<b>42</b>	Amount of charitable contributions for which you are taking a credit under Arizona law	<b>42</b>		<b>00</b>
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**Adjusted Itemized Deductions**

<b>43</b>	Add the amounts on lines 33 and 35	<b>43</b>	<b>1,562</b>	<b>00</b>
<b>44</b>	Add lines 34, 40, 41 and 42	<b>44</b>		<b>00</b>
<b>45</b>	Total itemized deductions allowed to be taken on federal return	<b>45</b>	<b>12,212</b>	<b>00</b>
<b>46</b>	Enter the amount from line 43 above	<b>46</b>	<b>1,562</b>	<b>00</b>
<b>47</b>	Add the amount on lines 45 and 46	<b>47</b>	<b>13,774</b>	<b>00</b>
<b>48</b>	Enter the amount from line 44 above	<b>48</b>		<b>00</b>
<b>49</b>	Subtract line 48 from line 47	<b>49</b>	<b>13,774</b>	<b>00</b>
<b>50</b>	If you skipped lines 24 through 28, enter the amount on line 23 here. If you completed lines 24 through 28, enter the amount from line 28 here	<b>50</b>	<b>13,637</b>	<b>00</b>
<b>51</b>	Subtract line 50 from line 49	<b>51</b>	<b>137</b>	<b>00</b>
<b>52</b>	Arizona percentage from line 4 of the worksheet on page 2 of the Schedule A(PYN) instructions	<b>52</b>	<b>56.0</b>	<b>%</b>
<b>53</b>	Multiply the percentage on line 52 by the amount on line 51	<b>53</b>	<b>77</b>	<b>00</b>
<b>54</b>	Add lines 50 and 53. Enter the result here and on Form 140PY, page 1, line 20	<b>54</b>	<b>13,714</b>	<b>00</b>

$$\boxed{00} - \boxed{999106} - \boxed{07503} - \boxed{7}$$

FOR DOR USE ONLY. DO NOT WRITE OR STAPLE IN THIS SPACE.

**ARIZONA FORM**  
**AZ-8453**

# Arizona Individual Income Tax Declaration for Electronic Filing

## 2006

For the year January 1 through December 31, 2006.

PLEASE PRINT OR TYPE.

YOUR FIRST NAME AND INITIAL <b>TEST L</b>	LAST NAME <b>PARTIAL</b>	YOUR SOCIAL SECURITY NO. <b>400-00-7503</b>
IF A JOINT RETURN, SPOUSE'S FIRST NAME AND INITIAL <b>MARY B</b>	LAST NAME <b>PARTIAL</b>	SPOUSE'S SOCIAL SECURITY NO. <b>400-00-7568</b>
PRESENT HOME ADDRESS - NUMBER & STREET, RURAL ROUTE    APT. NO. <b>923 HOPE ST</b>	CITY, TOWN OR POST OFFICE <b>DOUGLAS, AZ</b>	STATE    ZIP CODE <b>85607</b>

**PART I - TAX RETURN INFORMATION**

1	Arizona Adjusted Gross Income . . . .	1	30,536	00
2	Balance Of Tax . . . . .	2	352	00
3	Arizona Income Tax Withheld . . . . .	3	796	00
4	Refund . . . . .	4		00
5	Amount You Owe . . . . .	5		00

## PART II - FINANCIAL INSTITUTION INFORMATION -

Must be present when requesting direct debit or deposit.

[illegible]

**PART III - DECLARATION OF TAXPAYER -** Sign only after completing Part I

- 6a** ☐ I consent that my refund be directly deposited as designated in the electronic portion of my 2006 Arizona individual income tax return. If I have filed a joint return, this is an irrevocable appointment of the other spouse as an agent to receive the refund.
- 6b** ☒ I do not want direct deposit of my refund **or** I am not receiving a refund.
- 6c** ☐ I authorize the Arizona Department of Revenue (DOR) and its designated Financial Agent to initiate an ACH electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of my Arizona taxes owed on this return. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

If I have filed a balance due return, I understand that if DOR does not receive full and timely payment of my tax liability by April 16, 2007, I will remain liable for the tax liability and all applicable interest and penalties. When electronically filing my federal and state tax returns, I understand that if there is an error on my federal return, the electronic portion of my state return will also be rejected.

Under penalties of perjury, I declare that the information I have given my Electronic Return Originator (ERO) or On-Line Service Provider (OLSP) and the amounts in Part I above agree with the amounts on the corresponding lines of the electronic portion of my 2006 Arizona income tax return. To the best of my knowledge and belief, my return is true, correct, and complete. I consent to my ERO or OLSP sending my return and accompanying schedules and statements to DOR, and I consent to my ERO or OLSP sending such information to DOR through a transmitter. I consent to DOR sending my ERO, OLSP and/or transmitter an acknowledgement of receipt of transmission and an indication of whether or not the transmission of my return is accepted, and, if the return is rejected, the reason(s) for the rejection. If the processing of my return or refund is delayed, I authorize DOR to disclose to my ERO, OLSP and/or transmitter the reason(s) for the delay, or when the refund was sent. If DOR contacts my ERO for a copy of my return, any attachments or schedules to my return, and/or this executed Form AZ-8453, I authorize my ERO to release copies of the requested documents to DOR.

Sign Here 10-18-2006 10-18-2006  
YOUR SIGNATURE DATE SPOUSE'S SIGNATURE (If joint return, both must sign.) DATE

**PART IV - DECLARATION OF ELECTRONIC RETURN ORIGINATOR (ERO) AND PAID PREPARER** (See instructions)

I declare that I have reviewed the above taxpayer's return and that the entries on Form AZ-8453 are complete and correct to the best of my knowledge. The taxpayer will have signed this form before I submit the return. I will give the taxpayer a copy of all forms and information to be filed with the Arizona Department of Revenue a copy of this Form AZ-8453. If I am also the paid preparer, under penalties of perjury, I declare that I have examined the above taxpayer's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This declaration is based on all information of which I have any knowledge.

I have any knowledge.		CHECK IF PAID PREPARER <input type="checkbox"/>		CHECK IF SELF-EMPLOYED <input type="checkbox"/>	
SIGNATURE OF ERO <b>TEST FIRM</b>		DATE <b>10-18-2006</b>		SSN or PTIN	
FIRM'S NAME (or yours if self-employed)		STREET ADDRESS <b>FRANKLIN, NC 28734</b>			
FIRM'S ADDRESS (include zip code)		TELEPHONE NO. (with area code)			

Under penalties of perjury, I declare that I have examined the above taxpayer's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This declaration is based on all information of which I have any knowledge.

Paid Pre- parer's Use Only	<div> <div>▶</div> <div> <div>_____</div> <div>10-18-2006</div> </div> </div> <div>CHECK IF SELF-EMPLOYED</div> <div> <input type="checkbox"/> </div>	_____
	<div>PREPARER'S SIGNATURE</div> <div>DATE</div>	SSN or PTIN
	<div>▶</div> <div>_____</div> <div>FIRM'S NAME (or yours if self-employed)</div>	EIN
	<div>▶</div> <div>_____</div> <div>FIRM'S ADDRESS (include zip code)</div>	TELEPHONE NO. (with area code)

## \*\*\*\*\*KEEP FOR YOUR RECORDS\*\*\*\*\*

**Arizona Percent of Itemized Deductions Worksheet**

Complete the worksheet below to determine what percentage to enter on line 52 of Form 140PY, Schedule A (PYN).

**Worksheet**

- | 1. Arizona source income  | Amount        |
|---|---------------|
| a. <u>ARIZONA INCOME</u> . . . . . a.   | <u>35,240</u> |
| b. _____ . . . . . b.   | _____         |
| c. _____ . . . . . c.   | _____         |
| d. _____ . . . . . d.   | _____         |
| 2. Add the amounts in line<br>1a through line 1d. . . . . 2.  | <u>35,240</u> |
| 3. Enter the amount from<br>Form 140PY, page 2,<br>line B18. . . . . 3.   | <u>62,892</u> |
| 4. Divide the amount on line<br>2 by the amount on line 3.<br>Enter the percent here<br>and on Form 140PY,<br>Schedule A (PYN), Line 52. . . . . 4. | <u>56.0%</u>  |

\*\*\*\*\*KEEP FOR YOUR RECORDS\*\*\*\*\*

**Clean Elections Fund Tax Reduction Worksheet**

You may designate \$5 of your tax go to the Clean Elections Fund and may also reduce your tax by up to \$5. If you are married filing a joint return, both you and your spouse may make this designation and also reduce your tax by up to \$10.

**NOTE:** Amounts designated to the Clean Elections Fund Tax Reduction do not qualify for the Clean Elections Fund Tax Credit.

1. Enter the amount of tax from Form 140  
line 22, Form 140NR line 25, or Form 140PY  
line 25. . . . . 1. 362
2. If you checked the box for yourself, enter \$5.  
If a joint return and your spouse also checked  
the box for spouse, enter \$10. . . . . 2. 10
3. Balance of tax eligible for tax reduction.  
Subtract line 2 from line 1. If less than  
zero, enter zero "0". . . . . 3. 352
4. If you checked the box for yourself, enter \$5.  
If a joint return and your spouse also checked the  
box for spouse, enter \$10. . . . . 4. 10
5. Tax reduction. Enter the lesser of line 3  
or line 4. Also enter this amount on Form  
140, line 24, Form 140NR line 27, or Form  
140PY line 27. . . . . 5. 10

<b>a</b> Control number		OMB No. 1545-0008		<b>Safe, accurate, FAST! Use</b> <b>IRS e-file</b> Visit the IRS website at <a href="http://www.irs.gov/efile">www.irs.gov/efile</a> .	
<b>b</b> Employer identification number (EIN) 56-1241111			<b>1</b> Wages, tips, other compensation 37,000		<b>2</b> Federal income tax withheld 680
<b>c</b> Employer's name, address, and ZIP code WORKINGHARD INDUSTRIES  280 LABOR ST FAITH NC 28041-0280			<b>3</b> Social security wages 37,000		<b>4</b> Social security tax withheld 2,294
			<b>5</b> Medicare wages and tips 37,000		<b>6</b> Medicare tax withheld 537
			<b>7</b> Social security tips		<b>8</b> Allocated tips
<b>d</b> Employee's social security number 400-00-7503			<b>9</b> Advance EIC payment		<b>10</b> Dependent care benefits
<b>e</b> Employee's first name and initial      Last name  TEST L      CHARITY 923 HOPE ST DOUGLAS AZ 85607			<b>11</b> Nonqualified plans		<b>12a</b> See instructions for box 12 Local L 350
			<b>13</b> Statutory employee Retmnt. plan Third-party sick pay <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		<b>12b</b> Local
			<b>14</b> Other		<b>12c</b> Local
					<b>12d</b> Local
<b>f</b> Employee's address and ZIP code					
<b>15</b> State      Employer's state ID no. NC 562211	<b>16</b> State wages, tips, etc. 5,000	<b>17</b> State income tax 124	<b>18</b> Local wages, tips, etc.	<b>19</b> Local income tax	<b>20</b> Locality name
AZ 0722332	32,000	796			

Form **W-2** **Wage and Tax Statement**

2006

Department of the Treasury Internal Revenue Service

Copy B - To Be Filed With Employee's FEDERAL Tax Return.

This information is being furnished to the Internal Revenue Service.

The information on this Form W-2 was used to prepare the taxpayer's 2005 Federal tax return by .

